

**DATE:** March 25, 2021

**TO:** Todd Wyett, Chairman  
State Transportation Commission

**FROM:** Paul C. Ajegba  
Director

**SUBJECT: Waiver of Commission Approval**

The projects and descriptions documented in Exhibit A, attached, are contracts between the Michigan Department of Transportation, local public agencies, passenger, and rail transportation. These contracts require approval of the State Transportation Commission (STC). The approximate 4-week delay if Commission approval were deferred to the next STC meeting of April 22, 2021, would result in a delay in transmittal of funds, jeopardize project schedules, and transportation services.

The projects and descriptions documented in Exhibit A-1 attached, will be let by the Michigan Department of Transportation on April 2<sup>nd</sup>, and 9<sup>th</sup>, 2021. These projects require pre-approval as the engineers' estimates are over \$500,000. The approximate 4-week delay resulting if Commission pre-approval were deferred to the next STC meeting on April 22, 2021, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedules.

The projects and descriptions documented in Exhibit A-2, attached, were let by the Michigan Department of Transportation on March 5, 2021. The low bids received were more than 10% over the engineers' estimate, only received one bid, or resulted in a low bid deemed ineligible for award, and therefore require approval by the STC. The approximate 4-week delay resulting if Commission approval were deferred to the next STC meeting on April 22, 2021, would delay the transmittal of the contract documents to the low bidders, and jeopardize the construction schedule.

The project and description documented in Exhibit A-3, attached, was let on March 5, 2021. This project is being submitted for informational purposes since only one bid was received and the engineers' estimate was less than \$500,000.

Thus, a waiver of the required Commission approval is requested, as provided in Commission Resolution 79-3, as amended, footnote F:

"If, in the opinion of the Director, the public interest requires that a certain contract be awarded or an agreement be executed prior to approval by the Commission, hereunder, the Director shall seek a waiver of the required approval from the Chairman of the Transportation Commission. If the request of the approval is verbal, the waiver shall be confirmed, in writing, within fourteen (14) days."

If the waiver is granted, the Department will proceed to execute the items noted above.

*Signed copy on file*

---

Director

The request for waiver of Commission approval of the above-mentioned item is approved.

*Signed copy on file*

*March 25, 2021*

---

Todd Wyett, Chairman

---

Date

---

## OFFICE MEMORANDUM

---

**DATE:** March 25, 2021

**TO:** State Transportation Commission

**FROM:** Jack Cotter, CPA, CGMA  
Commission Auditor  
Office of Commission Audits

**SUBJECT:** State Transportation Commission Agenda – Exhibit A  
March 25, 2021

As information requested by the Commission, the Office of Commission Audits (OCA) notes in Attachment 1, the Schedule of Receivables Outstanding, that Exhibit A includes an entity that owes the department funds exceeding \$20,000 for more than 120 days. Attachment 1 shows relevant information regarding the receivable as of March 23, 2021.

Also, Guidance Document 10044, *Michigan Department of Transportation (MDOT) Requests for OCA Attestation Engagements and Procedures Regarding the Processing of Independent Certified Public Accountant's Review Reports*, requires the department to process OCA independent certified public accountant's review reports within 120 days of issuance. As of March 23, 2021, Exhibit A does not include any entities for which auditor's reports were not processed within the required timeline.

Jack Cotter, CPA, CGMA  
Commission Auditor

Attachment

cc: T. Hagon

Office of Commission Audits  
 Schedule of Receivable Outstanding  
 Receivable Issued Prior to November 23, 2020  
 As of March 23, 2021

<u>Entity</u>	<u>Reference No.</u>	<u>Type of Receivable</u>	<u>Outstanding</u>	<u>Invoice Date</u>
Village of Bancroft	Item 6	Local Progress Billing	\$ 23,309	June 28, 2019

Comments:

The village owes \$23,309 as the final payment for the local share of a road restoration and rehabilitation project. The Michigan Department of Transportation (MDOT) does not have any concerns regarding the collection of this receivable. Finance plans to issue a notice of the amount due to the village, and anticipates payment from the village.

# REQUEST FOR MICHIGAN STATE TRANSPORTATION COMMISSION APPROVAL

## CONTRACTS

March 25, 2021

The following contracts are being submitted for approval. The appropriate documents will be approved by the Attorney General and comply with all legal and fiscal requirements prior to award.

\*\*\*\*\*

### CONTRACTS

1. HIGHWAYS - Participation for Local Agency Construction Contract

Contract (2020-5486) between MDOT and the Manistee County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category F Funds:

Hox mix asphalt milling and resurfacing work along Eastlake Road from 4<sup>th</sup> Avenue (Stronach Road) to M-55.

Estimated Funds:

State Restricted TED Funds	\$375,000
Manistee County Road Commission Funds	<u>\$485,000</u>
Total Funds	<u>\$860,000</u>

EDF 51000 – 210059  
Local Letting

2. HIGHWAYS - Participation for State Local Bridge Construction Contract

Contract (2020-5519) between MDOT and the Village of Dimondale will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Rehabilitation work for structure 2440, which carries Bridge Street over the Grand River, Section 15, T03N, R03W, Village of Dimondale, Eaton County, Michigan, including concrete deck and sidewalk patching, joint resealing, epoxy overlay, steel beam cleaning and coating, substructure patching, and maintaining traffic work.

Estimated Funds:

Federal Highway Administration Funds	\$299,000.00
State Restricted Trunkline Funds	\$ 56,100.00
Village of Dimondale Funds	<u>\$ 18,700.00</u>
Total Funds	<u>\$373,800.00</u>

BHT 23000– 208101; Eaton County  
Letting of 2/5/2021

\* Denotes a non-standard contract/amendment

3. HIGHWAYS - Participation for Local Agency Construction Contract  
Contract (2020-5560) between MDOT and the Delta County Road Commission will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development Category D Funds, which are allocated for Local Agency projects (State Restricted TED Funds), and Federal Highway Administration Surface Transportation Program – Rural Funds designated for Local Agency projects (FHWA STP – Rural Funds):

Hot mix asphalt overlay along 21<sup>st</sup> Road (County Road 418) from County Road 416 to County Road 426, including shoulder, pavement marking, and traffic control work.

Estimated Funds:

State Restricted TED Funds	\$ 30,000
FHWA STP – Rural Funds	\$274,198
Delta County Road Commission Funds	<u>\$ 38,550</u>
Total Funds	<u>\$342,748</u>

STL 21000 – 205816; Delta County  
Letting of 3/5/2021

4. HIGHWAYS - Participation for State Local Bridge Construction Contract  
Contract (2020-5583) between MDOT and the City of Saginaw will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program.

Preventative maintenance work on structure 9438, which carries West Center Street over the Saginaw River, City of Saginaw, Saginaw County, Michigan, including deck joint replacement, steel diaphragm repair at the east abutment deck joint, surface sealer, and maintaining traffic work.

Estimated Funds:

Federal Highway Administration Funds	\$253,440
State Restricted Trunkline Funds	\$ 47,520
City of Saginaw Funds	<u>\$ 84,779</u>
Total Funds	<u>\$385,739</u>

HIP 73000-205963; Saginaw County  
Letting of 3/5/2021

5. HIGHWAYS - Participation for State Local Bridge Construction Contract  
Contract (2021-5022) between MDOT and the Marquette County Road Commission will provide for funding participation in the construction of the following improvements under Section 144 of Title 23 USC and the State Local Bridge Program:

Bridge rehabilitation work on structure 6554, which carries Huron Bay Grade over the Peshekee River, Section 6, T49N, R30W, Michigamme Township, Marquette County, Michigan, including abutment pile cap replacement, bearing repair, slope protection, deck repair, guardrail upgrade, and hot mix asphalt approach paving work.

Estimated Funds:

Federal Highway Administration Funds	\$220,000
State Restricted Trunkline Funds	\$ 41,200
Marquette County Road Commission Funds	<u>\$ 13,700</u>
Total Funds	<u>\$274,900</u>

BHT 52000– 208079; Marquette County  
Letting of 3/5/2021

6. HIGHWAYS - Participation for Local Agency Construction Contract  
Contract (2021-5092) between MDOT and the Village of Bancroft will provide for funding participation in the construction of the following improvements utilizing State Transportation Economic Development (TED) Category B Funds:

Hot mix asphalt pulverizing, shaping, grading, and resurfacing work along Maple Avenue from Beach Street to Shiawassee Street.

Estimated Funds:

State Restricted TED Funds	\$30,000
Village of Bancroft Funds	<u>\$30,000</u>
Total Funds	<u>\$60,000</u>

TEDB 76000 – 211931  
Local Letting

7. PASSENGER TRANSPORTATION - Section 5339 Program  
Project Authorization (29) under Master Agreement (2017-0016) between MDOT and the Bay Area Transportation Authority will provide state matching funds for the FY 2020 Federal Section 5339(b) Bus and Bus Facilities Competitive Program grant for the construction of a new headquarters facility. The authorization will be in effect from the effective date of the federal grant through three years. The authorization may be retroactive due to the effective date matching the federal grant effective date. The authorization amount will be \$16,725,000. The term of the master agreement is from October 1, 2016, until the last obligation between the parties has been fulfilled. The master agreement includes authorizations for program years FY 2017 through FY 2021. Source of Funds: Federal Transit Administration Funds - \$13,380,000; FY 2021 State Restricted Comprehensive Transportation Funds - \$3,345,000.

8.-10. PASSENGER TRANSPORTATION - Section 5339 Program

The following project authorizations issued under master agreements between MDOT and the following agencies will provide federal funds and state matching funds for transit facility projects, including facility expansions and renovations, under the FY 2020 Federal Section 5339(b) Bus and Bus Facilities Competitive Program. The authorizations will be in effect from the effective date of the federal grant through three years. The authorizations may be retroactive due to the effective dates matching the federal grant effective date. The total amount of the authorizations will be \$1,602,000. The terms of the master agreements are from October 1, 2016, until the last obligations between the parties have been fulfilled. The master agreements include authorizations for program years FY 2017 through FY 2021. Source of Funds: Federal Transit Administration Funds - \$1,281,600; FY 2021 State Restricted Comprehensive Transportation Funds - \$320,400.

	<u>Agreement/ Authorization</u>	<u>Agency</u>	<u>Total</u>
8.	2017-0052/24	Gladwin County Board of Commissioners	\$1,200,000
9.	2017-0110/13	Ogemaw County Board of Commissioners	\$ 227,000
10.	2017-0120/16	Roscommon County Transportation Authority	\$ 175,000

11. \*RAIL – Update of Service Outcomes

Amendatory Agreement (2012-0200/A3) between MDOT and the National Railroad Passenger Corporation (Amtrak) will add a federal grant update and will update the service outcomes. The original contract provides for the expenditure of funds for dispatch and maintenance management of the rail line purchased by MDOT from Norfolk Southern Railway between Kalamazoo and Dearborn on the Chicago-Detroit/Pontiac High Speed Rail Corridor. MDOT issues project authorizations to Amtrak for services and materials associated with the operation of the rail line. The project authorizations specify the scope of work, the dollar amounts, and the funding sources. The contract term remains unchanged, December 7, 2012, through September 30, 2032. This is a zero dollar agreement; funding is authorized through individual project authorizations.

12. RAIL – Design Review Services for Bridge Replacements

Project Authorization (16) Revision (3) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will extend the authorization term by one year and will provide for additional plan reviews. The additional time is needed because the work has been delayed until 2022. The original authorization provides for preliminary engineering design reviews to be performed for the MDOT project on the Michigan Line railroad corridor at bridges over Jackson Street, the Grand River, and Mechanic Street at mile post (MP) 75.94, MP 75.83, and MP 75.79. MDOT compensates Amtrak for eligible costs under the approved scope of work and spending plan. The revised authorization term will be July 27, 2018, through December 31, 2022. The authorization amount remains unchanged at \$78,382. The term of the master agreement is from December 7, 2012, through September 30, 2032. Source of Funds: State Restricted Trunkline Funds - \$78,382.

13. RAIL – Merriman Road Circuitry Work  
Project Authorization (31) Revision (1) under Master Agreement (2012-0200) between MDOT and the National Railroad Passenger Corporation (Amtrak) will increase the authorization amount by \$105,084.44 to cover subcontractor costs for which the subcontractor delayed providing the estimate and will extend the authorization term by one year to provide sufficient time for construction and final invoicing. The original authorization provides for complete track circuitry upgrades to generate 30 seconds of advanced roadway traffic preemption at the Merriman Road grade crossing at mile post 15.60 in the City of Westland, Wayne County. MDOT compensates Amtrak for eligible costs under the approved scope of work and estimate. The revised authorization term will be September 15, 2019, through August 28, 2021. The revised authorization amount will be \$406,976. The term of the master agreement is December 7, 2012, through September 30, 2032. Source of Funds: Federal Highway Administration Funds - \$306,856.44; Michigan Transportation Funds - \$34,095.16; State Restricted Comprehensive Transportation Funds - \$66,024.40.

Upon receipt of your approval, the contracts and agreements will be processed for award. Subject to the exercise of the discretion in the processing, I approve the contracts described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba  
Director



## **LETTING STATISTICS**

March 2021

### **TRUNKLINE CONTRACTS OVERVIEW**

The March 5<sup>th</sup> and 10th bid lettings included 31 Trunkline contracts with \$185.80 million in total engineer estimates. The low bids received totaled \$202.5 million. The average of low bids received was \$3.4 million and a median of \$961 thousand. Of the 31 contracts, 11 included warranties with \$167.6 million as the low bid total. The Trunkline contracts received 92 bids. In comparison to March 2020, 47 Trunkline contracts were let with total engineer estimates of \$96.8 million, low bid dollars of \$100.8 million, and 118 bids received.

For fiscal year 2021 to date, 166 Trunkline contracts have been let with a low bid total of \$1.13 billion. For the same period of fiscal year 2020, 241 Trunkline contracts were let with the low bid total of \$668.7 million.

### **ALL PROGRAM AREA CONTRACTS SUMMARY**

A total of 73 contracts were let with 272 bids received. The average number of bids per contract was 3.73.

For the March bid lettings, one project was withdrawn, one resulted in the rejection of all bids, and none were postponed.

Of the 121 contracting companies approved to submit bids for the March lettings, 105 submitted at least one bid.

### **JOB PROJECTIONS**

Job projections are Trunkline jobs specific in category and are classified under the work groups of road, bridge, and traffic and safety.

The list of jobs projected to be let during FY 2021 was updated on 03/12/2021 to include a total of 371 jobs with total construction cost estimates of \$2.15 billion.

For fiscal year 2021 through March 2021, 100% of jobs anticipated for this period have been let using 96.1% of the projected cost estimates.

### **UPCOMING LETTING STATS**

The **April 2, 2021, Bid Letting**, is advertising 15 Trunkline contracts with total engineer estimates of \$16.59 million. Of the Trunkline contracts, 2 include warranties with the total engineer estimates of \$1.15 million. In addition to the Trunkline contracts advertised for this letting, 41 Local Agency contracts with total engineer estimates of \$55.97 million are currently advertised. There is one Local Agency contract estimated at \$5.7 million that includes a warranty.

The **April 9, 2021, Special Bid Letting**, is advertising one Trunkline project estimated at \$94.85 million that includes a warranty, and one Local Agency project estimated at \$3.06 million that does not include a warranty.

## MARCH 2021 LETTING SUMMARY

STATISTICS	PROGRAM AREA				
	TRUNKLINE	LOCAL AGENCY	AERONAUTICS	FREIGHT SERVICES	TOTALS
<b>Project Report</b>					
Number of Contracts Let	31	42	0	0	73
Engineer Estimates of Contracts Let	\$185,802,391.11	\$55,539,111.39	\$0.00	\$0.00	\$241,341,502.50
<b>Low Bid Report</b>					
Low Bid Total	\$202,543,150.12	\$47,747,976.56	\$0.00	\$0.00	\$250,291,126.68
% over/under Engineer's Estimate	9.01%	-14.03%	0.00%	0.00%	3.71%
<b>All Bids Rejected Report</b>					
Number of Contracts - All Bids Rejected	0	1	0	0	1
Engineer Estimate Total	\$0.00	\$671,212.20	\$0.00	\$0.00	\$671,212.20
Low Bid Total	\$0.00	\$1,162,693.89	\$0.00	\$0.00	\$1,162,693.89
% over/under Engineer's Estimate	N/A	73.22%	0.00%	0.00%	73.22%
<b>Low Bids Pending</b>					
Number of To Be Announced Contracts	5	3	0	0	8
Engineer Estimate Total	\$98,515,980.88	\$2,146,154.00	\$0.00	\$0.00	\$100,662,134.88
Low Bid total	\$118,524,696.48	\$2,401,308.23	\$0.00	\$0.00	\$120,926,004.71
% over/under Engineer's Estimate	20.31%	11.89%	0.00%	0.00%	20.13%
<b>Bidder (Bids) Report</b>					
Number of Bids Received	92	180	0	0	272
Average # of Bidders per Project	2.97	4.29	0.00	0.00	3.73
<b>UPCOMING LETTING PROJECTIONS</b>					

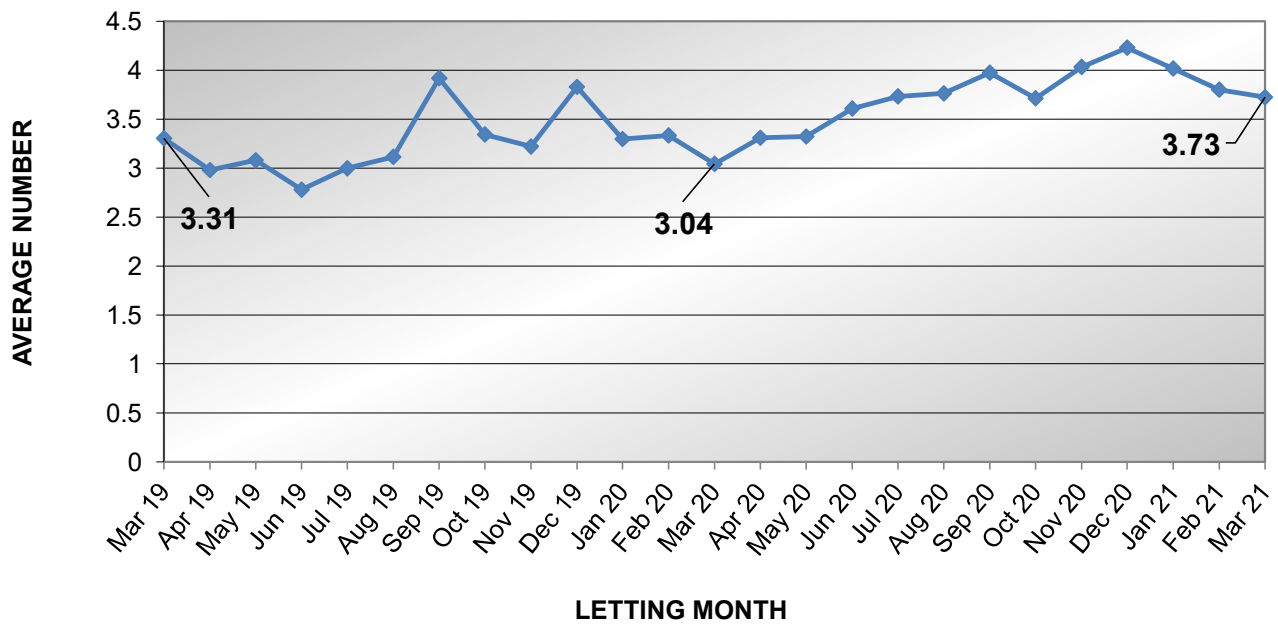
LETTING DATES	<u>Trunkline</u>	<u>Local Agency</u>	<u>Aeronautics</u>	<u>Freight Services</u>	<u>Total</u>
<b>April 2, 2021, Bid Letting</b>					
# of Contracts Advertised	15	41	0	0	56
# of Contracts with Warranties	2	1	0	0	3
\$ Engineer Estimates of Contracts Advertised (In million)	\$16,589,064.72	\$55,965,442.05	\$0.00	\$0.00	\$72,554,506.77
\$ Engineer Estimates of Warranty Contracts (In million)	\$1,154,001.73	\$5,702,405.70	\$0.00	\$0.00	\$6,856,407.43
<b>April 9, 2021, Special Bid Letting</b>					
# of Contracts Advertised	1	1	0	0	2
# of Contracts with Warranties	1	0	0	0	1
\$ Engineer Estimates of Contracts Advertised (In million)	\$94,850,814.61	\$3,057,874.07	\$0.00	\$0.00	\$97,908,688.68
\$ Engineer Estimates of Warranty Contracts (In million)	\$94,850,814.61	\$0.00	\$0.00	\$0.00	\$94,850,814.61

## NUMBER OF BIDS - BY REGION

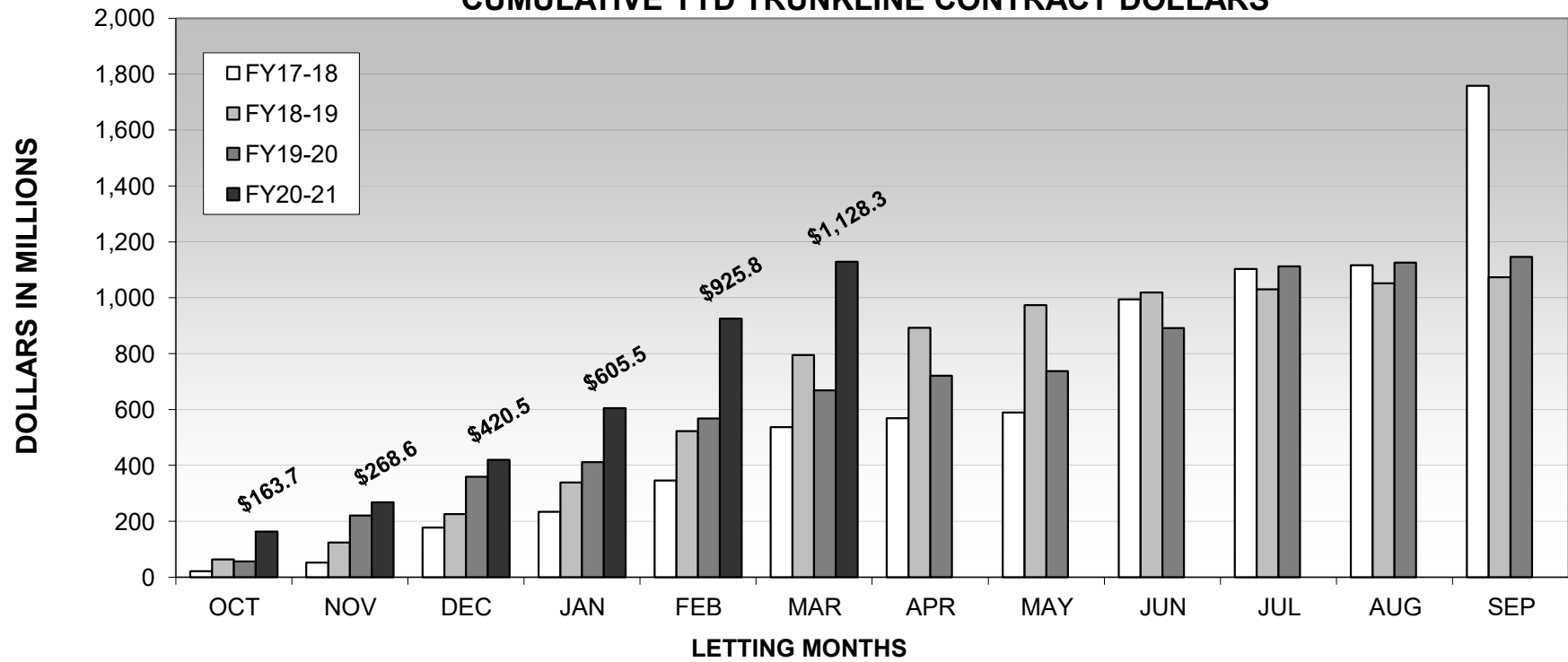
MARCH 2021

REGION	NO BIDS	1 BID	2 BIDS	3 BIDS	4 BIDS	5 BIDS	6 BIDS	7 BIDS	8 BIDS	9 BIDS	=>10 BIDS	CONTRACTS BY REGION
BAY		2	1	2	1	2	2		1			11
GRAND			2	2	3	1			2	1		11
METRO			3	1	3	2	1					10
NORTH		1	2	2		1						6
SOUTHWEST		1	3		1		1		1			7
SUPERIOR		1	7	2	2	2						14
UNIVERSITY			3	4	2	1	1	2	1			14
NUMBER OF PROJECTS		5	21	13	12	9	5	2	5	1	0	73

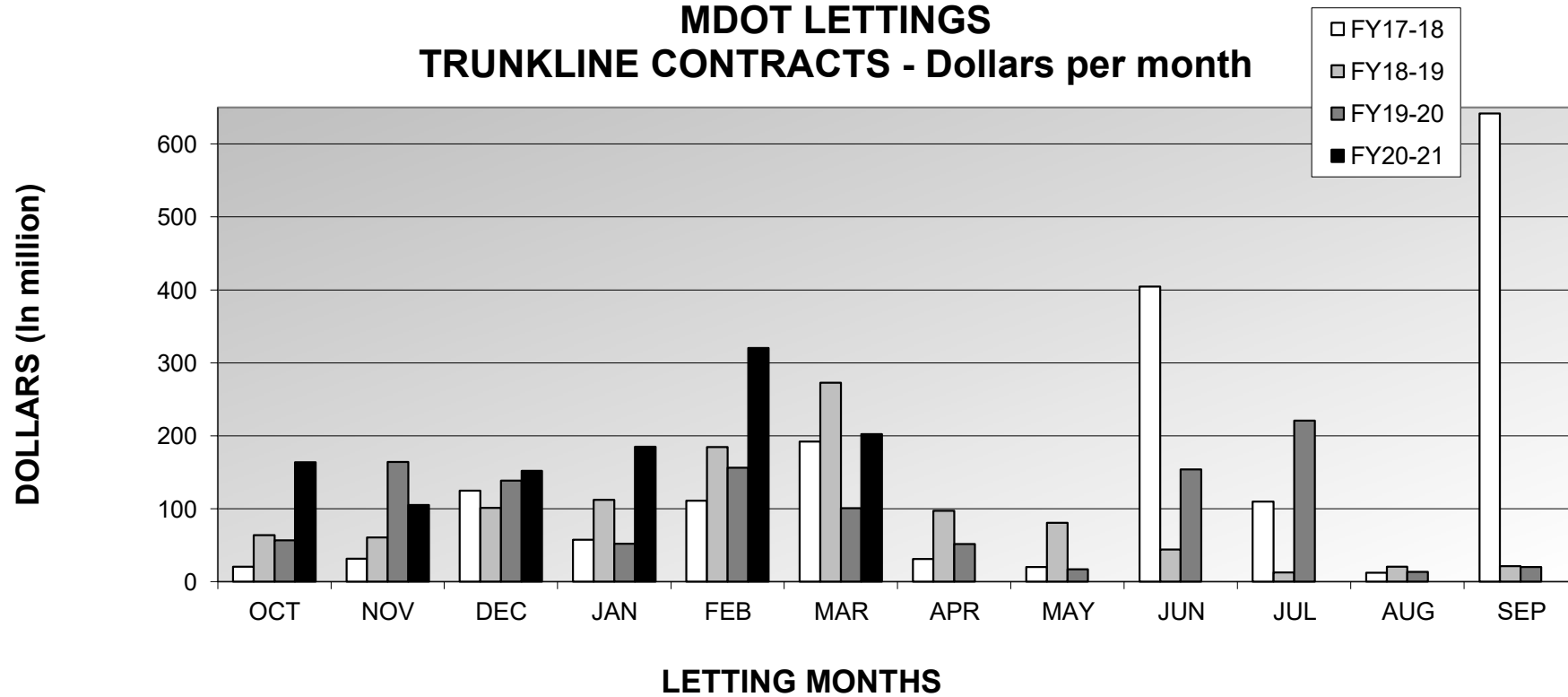
**AVERAGE NUMBER OF BIDDERS**  
MARCH 2019 - MARCH 2021



# MDOT LETTINGS CUMULATIVE YTD TRUNKLINE CONTRACT DOLLARS



# MDOT LETTINGS TRUNKLINE CONTRACTS - Dollars per month



REQUEST FOR MICHIGAN STATE TRANSPORTATION

COMMISSION APPROVAL

BID LETTING PRE-APPROVAL

March 25, 2021

The following contracts are being submitted for approval.

**STATE PROJECTS**

**TRUNKLINE CONTRACTS**

1. Letting of April 2, 2021  
Letting Call: 2104 001  
Project: HSIP 39000-207293  
Local Agreement:  
Start Date: May 3, 2021  
Completion Date: November 30, 2021

Prequalification Level:  
**\$1,758,000.00**

Application of longitudinal pavement markings on various trunkline routes, Berrien, Branch, Calhoun, Cass, Kalamazoo, St. Joseph, and Van Buren Counties.

0.00 % DBE participation required
2. Letting of April 2, 2021  
Letting Call: 2104 002  
Project: ST 16032-201093 , ETC  
Local Agreement:  
Start Date: July 19, 2021  
Completion Date: October 29, 2021

Prequalification Level:  
**\$4,371,000.00**

12.48 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter and sidewalk ramps, guardrail, storm sewer and pavement markings on M-27 from the I-75 northbound ramps to south of M-33, Cheboygan County.

4.00 % DBE participation required
3. Letting of April 2, 2021  
Letting Call: 2104 003  
Project: M 11012-209685  
Local Agreement:  
Start Date: July 5, 2021  
Completion Date: August 27, 2021

Prequalification Level:  
**\$810,000.00**

Bridge rehabilitation includes deck patching, pin and hanger replacement, structural steel repairs and zone painting on I-94BL (Lakeshore Drive/Red Arrow Highway) over CSX Railroad in the city of St. Joseph, Berrien County.

0.00 % DBE participation required

4. Letting of April 2, 2021  
Letting Call: 2104 007  
Project: NH 36052-211248  
Local Agreement:  
Start Date: July 6, 2021  
Completion Date: September 3, 2021  
  
15.81 mi of scrub seal, single chip seal, fog seal, edge trimming, hand patching, aggregate shoulders, and pavement markings on US-141 from the US-2 intersection northerly to Basilio Road, Iron County.  
  
0.00 % DBE participation required
5. Letting of April 2, 2021  
Letting Call: 2104 013  
Project: HSIP 21000-207296  
Local Agreement: 21-5060  
Start Date: April 16, 2021  
Completion Date: November 27, 2021  
  
Application of longitudinal pavement markings on various routes, Alger, Baraga, Chippewa, Delta, Dickinson, Gogebic, Houghton, Iron, Keweenaw, Luce, Mackinac, Marquette, Menominee, Ontonagon, and Schoolcraft Counties.  
  
0.00 % DBE participation required
6. Letting of April 2, 2021  
Letting Call: 2104 014  
Project: HSIP 69023-207288  
Local Agreement:  
Start Date: May 12, 2021  
Completion Date: November 26, 2021  
  
Application of long line pavement markings on various routes, Alcona, Alpena, Antrim, Arenac, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Iosco, Kalkaska, Leelanau, Manistee, Missaukee, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, Roscommon, and Wexford Counties.  
  
0.00 % DBE participation required
7. Letting of April 2, 2021  
Letting Call: 2104 034  
Project: NH 58034-208673  
Local Agreement:  
Start Date: June 1, 2021  
Completion Date: August 10, 2021  
  
10.20 mi of concrete pavement repairs on US-23 from the Michigan/Ohio state line northerly to Ida Center Road, Monroe County.  
  
4.00 % DBE participation required



8. Letting of April 2, 2021  
Letting Call: 2104 035  
Project: HSIP 38082-207302  
Local Agreement:  
Start Date: April 12, 2021  
Completion Date: December 1, 2021
- Prequalification Level:  
**\$686,000.00**
- Application of special pavement markings on various routes, Clinton, Eaton, Hillsdale, Ingham, Jackson, Lenawee, Livingston, Monroe, and Washtenaw Counties.
- 0.00 % DBE participation required
9. Letting of April 2, 2021  
Letting Call: 2104 036  
Project: HSIP 73000-207281  
Local Agreement:  
Start Date: May 24, 2021  
Completion Date: November 12, 2021
- Prequalification Level:  
**\$514,000.00**
- Application of special pavement markings on various routes, Huron, Sanilac, St. Clair, and Tuscola Counties.
- 0.00 % DBE participation required
10. Letting of April 2, 2021  
Letting Call: 2104 038  
Project: ST 46032-129137 , ETC  
Local Agreement:  
Start Date: July 5, 2021  
Completion Date: November 15, 2023
- Prequalification Level:  
**\$685,000.00**
- 1.49 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, shoulder gravel and pavement markings on M-156 from the Michigan state line to Park Drive in the city of Morenci, Lenawee County. This project includes a 3-year materials and workmanship pavement warranty.
- 5.00 % DBE participation required
11. Letting of April 9, 2021  
Letting Call: 2104 601  
Project: RBMP 19043-125869 , ETC  
Local Agreement:  
Start Date: May 3, 2021  
Completion Date: October 25, 2024
- Prequalification Level:  
**\$63,129,000.00**
- 5.28 mi of roadway reconstruction, drainage, signing, and bridge rehabilitation including epoxy overlay, deck patching, painting, pin and hanger replacement, joint repair and replacement, substructure repairs, scour countermeasures, structural steel repairs and painting, barrier patching, approach work and pavement markings on I-69 from I-96 to Airport Road, Clinton, and Eaton Counties. This project includes two 5-year materials and workmanship pavement warranties, a 5-year epoxy performance warranty and a 2-year bridge coating warranty. Alternate 1 is a hot mix asphalt alternative and Alternate 2 is concrete alternative.
- 7.00 % DBE participation required

## LOCAL AGENCY CONTRACTS

- |     |                                                                                                                                                                                                                                                                                                |                                                  |
|-----|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------|
| 12. | Letting of April 2, 2021<br>Letting Call: 2104 008<br>Project: EDC 41000-206009<br>Local Agreement: 21-5050<br>Start Date: 10 days after award<br>Completion Date: August 27, 2021                                                                                                             | Prequalification Level:<br><b>\$2,712,000.00</b> |
|     | 1.02 mi of hot mix asphalt reconstruction, concrete curb, gutter, sidewalk and ramps, guardrail, signing and pavement markings on 32nd Street from Breton Avenue to Shaffer Avenue in the city of Kentwood, Kent County. This is a Local Agency project.                                       |                                                  |
|     | 0.00 % DBE participation required                                                                                                                                                                                                                                                              |                                                  |
| 13. | Letting of April 2, 2021<br>Letting Call: 2104 009<br>Project: NH 82000-205754<br>Local Agreement: 21-5058<br>Start Date: July 7, 2021<br>Completion Date: October 29, 2021                                                                                                                    | Prequalification Level:<br><b>\$2,235,000.00</b> |
|     | 0.63 mi of hot mix asphalt cold milling and resurfacing, concrete pavement repairs, sidewalk ramps, signing and pavement markings on McNichols Road from Oakland Avenue easterly to Dequindre Street in the cities of Highland Park and Detroit, Wayne County. This is a Local Agency project. |                                                  |
|     | 5.00 % DBE participation required                                                                                                                                                                                                                                                              |                                                  |
| 14. | Letting of April 2, 2021<br>Letting Call: 2104 010<br>Project: BRT 23000-202457<br>Local Agreement: 21-5045<br>Start Date: 10 days after award<br>Completion Date: October 15, 2021                                                                                                            | Prequalification Level:<br><b>\$1,006,000.00</b> |
|     | Bridge reconstruction includes 21-inch prestressed concrete box beams, composite concrete slab and approach work on East Vermontville Highway over the Thornapple River, Eaton County. This is a Local Agency project.                                                                         |                                                  |
|     | 3.00 % DBE participation required                                                                                                                                                                                                                                                              |                                                  |
| 15. | Letting of April 2, 2021<br>Letting Call: 2104 012<br>Project: NH 63000-206001<br>Local Agreement: 21-5077<br>Start Date: 10 days after award<br>Completion Date: June 14, 2022                                                                                                                | Prequalification Level:<br><b>\$2,581,000.00</b> |
|     | 1.02 mi of hot mix asphalt cold milling and resurfacing, widening, concrete curb, gutter and ramps and pavement markings on Adams Road from Long Lake Road to Square Lake Road, Oakland County. This is a local Agency project.                                                                |                                                  |
|     | 5.00 % DBE participation required                                                                                                                                                                                                                                                              |                                                  |

16. Letting of April 2, 2021  
Letting Call: 2104 015  
Project: STUL 61000-205352  
Local Agreement: 21-5088  
Start Date: 10 days after award  
Completion Date: September 19, 2023  
  
Prequalification Level:  
**\$2,325,000.00**  
  
0.44 mi of hot mix asphalt reconstruction, concrete curb, gutter, sidewalk, and ramps, signing, watermain and pavement markings on Seminole Road from Henry Street easterly to Park Street in the city of Norton Shores, Muskegon County. This is a Local Agency project.  
  
5.00 % DBE participation required
17. Letting of April 2, 2021  
Letting Call: 2104 016  
Project: CPMG 63000-202928  
Local Agreement: 21-5082  
Start Date: 10 days after award  
Completion Date: July 1, 2022  
  
Prequalification Level:  
**\$1,421,000.00**  
  
Traffic signal modernization includes signal interconnects, vehicular and pedestrian actuation, and signal timing optimization on Main Street at 11 locations and on Crooks Road at 6 locations in the city of Royal Oak, Oakland County. This is a Local Agency project.  
  
0.00 % DBE participation required
18. Letting of April 2, 2021  
Letting Call: 2104 017  
Project: HRRR 56000-207254  
Local Agreement: 21-2040  
Start Date: June 7, 2021  
Completion Date: October 1, 2021  
  
Prequalification Level:  
**\$564,000.00**  
  
0.55 mi of intersection roundabout construction includes hot mix asphalt surfacing, concrete curb and gutter, guardrail, drainage, centerline corrugations and pavement markings on Freeland Road at Sasse Road, Midland County. This is a Local Agency project.  
  
5.00 % DBE participation required
19. Letting of April 2, 2021  
Letting Call: 2104 018  
Project: STU 63000-205968 , ETC  
Local Agreement: 21-5089  
Start Date: 10 days after award  
Completion Date: May 13, 2022  
  
Prequalification Level:  
**\$3,685,000.00**  
  
1.93 mi of roadway widening, and reconstruction and bridge rehabilitation includes hot mix asphalt base crush, shape and resurface, concrete curb, gutter, and ramps, signing, pavement markings and epoxy overlay, steel beam repairs and painting and scour countermeasures on Beech Road from Eight Mile Road to Ten Mile Road in the city of Southfield, Oakland County. This is a Local Agency project.  
  
6.00 % DBE participation required

20. Letting of April 2, 2021  
Letting Call: 2104 019  
Project: STL 52000-205649  
Local Agreement: 21-5072  
Start Date: 10 days after award  
Completion Date: October 15, 2021  
  
Prequalification Level:  
**\$1,073,000.00**  
  
2.50 mi of hot mix asphalt crushing, shaping, and resurfacing and pavement markings on County Road 557 from south of Wilson Creek to south of County Road SW, Marquette County. This is a Local Agency project.  
  
3.00 % DBE participation required
21. Letting of April 2, 2021  
Letting Call: 2104 020  
Project: STU 39000-206267  
Local Agreement: 21-5031  
Start Date: 10 days after award  
Completion Date: June 15, 2022  
  
Prequalification Level:  
**\$2,105,000.00**  
  
1.70 mi of hot mix asphalt cold milling and resurfacing, signing and pavement markings on Solon Street from Arboretum Parkway to West Main Street and Nichols Road from West Main Street to Ravine Road, Kalamazoo County. This is a Local Agency project.  
  
5.00 % DBE participation required
22. Letting of April 2, 2021  
Letting Call: 2104 021  
Project: STL 27555-130467  
Local Agreement: 21-5073  
Start Date: 10 days after award  
Completion Date: September 30, 2021  
  
Prequalification Level:  
**\$884,000.00**  
  
2.93 mi of hot mix asphalt cold in place recycling, shoulders, guardrail, and pavement marking on Lake Road west of Omans Creek, Gogebic County. This is a Local Agency project.  
  
0.00 % DBE participation required
23. Letting of April 2, 2021  
Letting Call: 2104 022  
Project: STU 63000-205992  
Local Agreement: 21-5091  
Start Date: 10 days after award  
Completion Date: July 8, 2022  
  
Prequalification Level:  
**\$5,702,000.00**  
  
1.22 mi of hot mix asphalt widening reconstruction, concrete curb, gutter and sidewalk ramps, storm sewer, traffic signals, signing and pavement markings on 12 Mile Road from Lahser Road to Evergreen Road, Oakland County. This is a Local Agency project. This project includes two 5-year Local Agency warranties.  
  
6.00 % DBE participation required

24. Letting of April 2, 2021  
Letting Call: 2104 023  
Project: MCS 82000-133062  
Local Agreement: 21-5065  
Start Date: 10 days after award  
Completion Date: October 29, 2021
- Prequalification Level:  
**\$2,062,000.00**
- Bridge reconstruction to include side by side 21-inch prestressed concrete box beams with a prestressed concrete deck, precast concrete fascia panels, cofferdams, drainage, concrete bridge approach, concrete curb and gutter, sidewalk, sidewalk ramps and guardrail work on Gibraltar Road over Waterway Canal in the city of Gibraltar, Wayne County. This is a Local Agency project.
- 0.00 % DBE participation required
25. Letting of April 2, 2021  
Letting Call: 2104 024  
Project: STU 25000-207658  
Local Agreement: 21-5063  
Start Date: August 16, 2021  
Completion Date: June 3, 2022
- Prequalification Level:  
**\$648,000.00**
- 0.50 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk, and ramps, signing and pavement markings on Grand Traverse Street southbound from Bristol Road to Hemphill Road in the city of Burton, Genesee County. This is a Local Agency project.
- 5.00 % DBE participation required
26. Letting of April 2, 2021  
Letting Call: 2104 025  
Project: BHT 13000-207722  
Local Agreement: 21-5068  
Start Date: 10 days after award  
Completion Date: October 1, 2021
- Prequalification Level:  
**\$766,000.00**
- Substructure patching, epoxy overlay, penetrating healer/sealer to the bridge deck and sidewalks and expansion joint replacement on Emmett Street over CN Railroad, Hamblin Avenue over the Kalamazoo River and Michigan Avenue over the Battle Creek River in the city of Battle Creek, Calhoun County. This is a Local Agency project.
- 0.00 % DBE participation required
27. Letting of April 2, 2021  
Letting Call: 2104 026  
Project: STU 50000-206508  
Local Agreement: 21-5054  
Start Date: 10 days after award  
Completion Date: October 8, 2021
- Prequalification Level:  
**\$1,985,000.00**
- 0.90 mi of hot mix asphalt cold milling, concrete base repair, curb, gutter and sidewalk ramps and pavement markings on 12 Mile Road from Harper Avenue to Jefferson Avenue in the city of St. Clair Shores, Macomb County. This is a Local Agency project.
- 5.00 % DBE participation required

28. Letting of April 2, 2021  
Letting Call: 2104 027  
Project: STUL 23000-209369  
Local Agreement: 21-5078  
Start Date: 10 days after award  
Completion Date: 40 Calendar Days  
  
Prequalification Level:  
**\$600,000.00**  
  
0.12 mi of hot mix asphalt crushing, shaping, and resurfacing, concrete curb and ramps, storm sewer repairs and pavement markings on Brook Street from the east city limits of Eaton Rapids to M-50 in the city of Eaton Rapids, Eaton County. This is a Local Agency project.  
4.00 % DBE participation required
29. Letting of April 2, 2021  
Letting Call: 2104 030  
Project: STL 32555-130156  
Local Agreement: 21-5038  
Start Date: 10 days after award  
Completion Date: September 15, 2021  
  
Prequalification Level:  
**\$1,368,000.00**  
  
7.46 mi of hot mix asphalt resurfacing, aggregate shoulders, and pavement markings on Elkton Road from the north village limits of Elkton north to Kinde Road, Huron County. This is a Local Agency project.  
5.00 % DBE participation required
30. Letting of April 2, 2021  
Letting Call: 2104 031  
Project: STL 31000-127806 , ETC  
Local Agreement: 21-5070  
Start Date: 10 days after award  
Completion Date: August 20, 2021  
  
Prequalification Level:  
**\$1,432,000.00**  
  
3.54 mi of hot mix asphalt cold milling and resurfacing, culvert and shoulder work and pavement markings on Canal Road from M-26 to Coles Creek Road and Bear Lake Road from Salo Road to M-203, Houghton County. This is a Local Agency project.  
0.00 % DBE participation required
31. Letting of April 2, 2021  
Letting Call: 2104 032  
Project: STUL 81000-208388  
Local Agreement: 21-5056  
Start Date: June 1, 2021  
Completion Date: August 3, 2021  
  
Prequalification Level:  
**\$548,000.00**  
  
0.63 mi of hot mix asphalt full depth cold milling and resurfacing, improve gravel shoulder and pavement markings on Sibley Road from M-52 to the city limits of Chelsea, Washtenaw County. This is a Local Agency project.  
5.00 % DBE participation required

32. Letting of April 2, 2021  
Letting Call: 2104 033  
Project: TAUL 80000-207882 , ETC  
Local Agreement: 21-5051, 21-5061  
Start Date: 10 days after award  
Completion Date: September 19, 2023
- Prequalification Level:  
**\$3,348,000.00**
- 0.26 mi of hot mix asphalt reconstruction, streetscape, water main and pavement markings on Michigan Avenue from Gremps Street to LaGrave Street in the village of Pawpaw, Van Buren County. This is a Local Agency project.
- 4.00 % DBE participation required
33. Letting of April 2, 2021  
Letting Call: 2104 042  
Project: STU 58000-205293  
Local Agreement: 21-5042  
Start Date: 10 days after award  
Completion Date: November 20, 2021
- Prequalification Level:  
**\$1,096,000.00**
- 3.99 mi of hot mix asphalt resurfacing, aggregate shoulders, and pavement markings on Jackman Road from the Michigan/Ohio state line to Smith Road and Samaria Road and Lakeside Road from east of Lewis Avenue to west of the centerline of US-24, Monroe County. This is a Local Agency project.
- 5.00 % DBE participation required
34. Letting of April 2, 2021  
Letting Call: 2104 043  
Project: STL 08000-206798  
Local Agreement: 21-5071  
Start Date: April 15, 2021  
Completion Date: July 1, 2021
- Prequalification Level:  
**\$534,000.00**
- 5.35 mi of hot mix asphalt overlays on various routes, Barry County. This is a Local Agency project.
- 0.00 % DBE participation required
35. Letting of April 2, 2021  
Letting Call: 2104 046  
Project: STL 71000-205322  
Local Agreement: 21-5087  
Start Date: June 1, 2021  
Completion Date: August 31, 2021
- Prequalification Level:  
**\$623,000.00**
- 1.46 mi of hot mix asphalt base crushing, shaping, and resurfacing, replace culverts, signing and pavement markings on County Road 451 from Claus Road east to Hawks Highway, Presque Isle County. This is a Local Agency project.
- 3.00 % DBE participation required

36. Letting of April 2, 2021  
Letting Call: 2104 049  
Project: NH 81000-205597  
Local Agreement: 21-5080  
Start Date: 10 days after award  
Completion Date: October 29, 2021
- Prequalification Level:  
**\$901,000.00**
- 1.31 mi of hot mix asphalt cold milling and resurfacing, concrete pavement removal, aggregate base, signs, and pavement markings on Wiard Road from I-94 to north of the Tyler Road off ramp, Washtenaw County. This is a Local Agency project.
- 4.00 % DBE participation required
37. Letting of April 2, 2021  
Letting Call: 2104 051  
Project: HIPS 29000-207331  
Local Agreement: 21-5079  
Start Date: June 7, 2021  
Completion Date: October 1, 2021
- Prequalification Level:  
**\$1,145,000.00**
- 0.34 mi of hot mix asphalt reconstruction, concrete curb, gutter, sidewalk and ramps, water main, storm sewer, utility improvements, signing and pavement markings on State Street from Michigan Avenue to Main Street in the city of St. Louis, Gratiot County. This is a Local Agency project.
- 5.00 % DBE participation required
38. Letting of April 2, 2021  
Letting Call: 2104 052  
Project: STUL 38000-207173  
Local Agreement: 21-5062  
Start Date: July 6, 2021  
Completion Date: August 26, 2022
- Prequalification Level:  
**\$836,000.00**
- 0.32 mi of hot mix asphalt reconstruction, concrete curb and sidewalk, decorative lighting, and pavement markings on Morrell Street from Greenwood Avenue to Francis Street in the city of Jackson, Jackson County. This is a Local Agency project.
- 6.00 % DBE participation required
39. Letting of April 2, 2021  
Letting Call: 2104 053  
Project: STU 50000-206496  
Local Agreement: 21-5055  
Start Date: 10 days after award  
Completion Date: October 31, 2021
- Prequalification Level:  
**\$1,416,000.00**
- 0.46 mi of concrete pavement with integral curb, storm drain, concrete sidewalk and ramp and pavement markings on Toepfer Drive from Kelly Road west to David Avenue in the city of Eastpointe, Macomb County. This is a Local Agency project.
- 5.00 % DBE participation required



40. Letting of April 2, 2021  
Letting Call: 2104 055  
Project: STUL 70000-206302  
Local Agreement: 21-5120  
Start Date: 10 days after award  
Completion Date: October 22, 2021

Prequalification Level:  
**\$6,607,000.00**

1.21 mi of hot mix asphalt reconstruction, concrete curb and gutter, sidewalk, sidewalk ramps, drainage, sewer, and pavement markings on 10th Street from VanRaalte Avenue easterly to Lincoln Avenue in the city of Holland, Ottawa County. This is a local Agency project.

5.00 % DBE participation required

41. Letting of April 9, 2021  
Letting Call: 2104 602  
Project: MCS 28005-112301  
Local Agreement: 21-5113  
Start Date: 10 days after award  
Completion Date: November 13, 2021

Prequalification Level:  
**\$3,057,000.00**

Bridge rehabilitation and reconstruction includes superstructure removal and replacement with 27-inch prestressed concrete box beams, deck removal and replacement, cleaning, and coating of existing beams, replace railing, concrete sidewalk and approach work on East 8th Street, Cass Street and Park Street over the Boardman River in the city of Traverse City, Grand Traverse County. This is a Local Agency project.

0.0 % DBE participation required

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba  
Director

---

## OFFICE MEMORANDUM

---

**DATE:** March 17, 2021

**TO:** State Transportation Commission

**FROM:** Jack Cotter, CPA, CGMA  
Commission Auditor  
Office of Commission Audits

**SUBJECT:** Justification Memorandums

Attached for your information are the department's justification memorandums for Exhibit A-2 items where the low bid exceeded the engineer's estimate by more than ten percent.

*Signed copy on file*

Jack Cotter, CPA, CGMA  
Commission Auditor

Attachments

cc: T. Hagon

**DATE:** March 9, 2021

**TO:** Patrick J. McCarthy, Director  
Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director  
Bureau of Development

**SUBJECT:** Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: March 5, 2021

Project Description: 1.91 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, drainage structures and pavement markings on I-75BL from the US-2 overpass easterly to High Street and from Antoine Street to North Airport Drive in the City of St. Ignace, Mackinac County

Project Number: 49026-208642

Item Number: 2103 049

Low Bidder: Payne & Dolan Inc.

Eng. Est: \$840,437.92    Low Bid: \$959,541.07    Difference: \$119,103.15    Percent: 14.17

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$840,437.92
Payne & Dolan, Inc.	\$959,541.07
Rieth-Riley Construction Co., Inc.	\$963,030.63
Bacco Construction Company	\$1,222,607.75

### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main items found to be bid higher than the engineer's estimate are the drainage structure repair items, hot mix asphalt items, and traffic regulator control. The drainage structure repair item is low production work and includes numerous sites throughout the project, increasing the cost. The hot mix asphalt resurfacing work is broken into two segments. This will require multiple mobilizations of materials and equipment. Additionally, traffic must be maintained at all times in both directions on I-75BL, and in all directions at each intersection, leading to an increase in cost. The estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate due to non-productive work, multiple work segments, and maintaining traffic requirements. This project received three bids ranging from \$959,541.07 to \$1,222,607.75, which varied by 27.42 percent.

March 9, 2021

The two lowest bids varied by just 0.36 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Superior Region request that this project be awarded to the low bidder, based on the above conclusion.

---

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	C. Gardner
M. Lusk	M. Maloney	A. Anderson		

BOD:DD:QA:RWC:raw

**DATE:** March 11, 2021

**TO:** Patrick J. McCarthy, Director  
Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director  
Bureau of Development

**SUBJECT:** Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: March 5, 2021

Project Description: Bridge reconstruction with a 36' x 8' precast three-sided concrete culvert, steel piles, riprap, guardrail, approach work and pavement markings on County Road 565 over Schweitzer Creek, Marquette County.

Project Number: 52000-207918

Item Number: 2103 022

Low Bidder: A. Lindberg & Sons, Inc.

Eng. Est: \$851,046.00    Low Bid: \$961,114.25    Difference: \$110,068.25    Percent: 12.93

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$ 851,046.00
A. Lindberg & Sons, Inc.	\$ 961,114.25
Hebert Construction Co.	\$1,084,771.17
MJO Contracting, Inc.	\$1,185,075.40
Zenith Tech, Inc.	\$1,313,851.40

### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main item found to be bid higher than the engineer's estimate was cofferdams. This project consists of placing a 36-foot span culvert in a wetland area with no available secondary access road. Due to the lack of access to each side of the structure, delivering and driving the cofferdams prior to existing abutment removal, which is required, makes it less cost effective and more labor-intensive, causing this item to be bid higher than estimated. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the lack of access to the structure and the required driving of the cofferdams at each existing abutment location. This project received four bids, ranging from \$961,114.25 to \$1,313,851.40, which varied by 36.70 percent. However, the top two bids varied by 12.87 percent. We believe that

March 11, 2021

rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Marquette County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

---

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	T. Barry
J. Rautiola	M. Maloney	A. Johnson	M. Chynoweth	

BOD:DD:QA:MJI:raw

**DATE:** March 16, 2021

**TO:** Patrick J. McCarthy, Director  
Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director  
Bureau of Development

**SUBJECT:** Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: March 5, 2021

Project Description: Bridge rehabilitation including superstructure replacement with 15 inch tall tub girder and precast composite slab and approach work on Cone Road over the north branch Macon Creek, Monroe County.

Project Number: 58000-205846

Item Number: 2103 027

Low Bidder: Z Contractors, Inc.

Eng. Est: \$622,277.00    Low Bid: \$694,509.01    Difference: \$72,232.01    Percent: 11.61

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$622,277.00
Z Contractors, Inc.	\$694,509.01
C. A. Hull Co., Inc.	\$732,728.00
Anlaan Corporation	\$879,346.31

### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main item found to be bid higher than the engineer's estimate is structures, remove portions. The site constraints for this project include narrow approach roadway and narrow right-of-way. This creates more labor-intensive work to access the structure removal, increasing the cost. In addition, the Michigan Department of Environment, Great Lakes and Energy (EGLE) permit restricts any excavation within the waterway until July 1, 2021, and the structure must be complete by September 2, 2021. The completion date is required to alleviate conflicts with the start of the school year and fall crop harvest, increasing the bid price for this item. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the narrow site constraints to access the work, and the construction schedule impacted by EGLE permit restrictions, the start of school, and the fall crop harvest. This project received three bids ranging from \$694,509.01 to \$879,346.31, which varied by 26.61 percent. However, the top two

March 16, 2021

bids varied by 5.50 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable based on the factors discussed.

The Bureau of Development and the Monroe County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

---

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	P. Rojas
J. Daavettila	E. Chelotti	D. Parker	M. Chynoweth	

BOD:DD:QA:MJI:raw



**DATE:** March 11, 2021

**TO:** Patrick J. McCarthy, Director  
Bureau of Finance and Administration

**FROM:** Bradley C. Wieferich, Director  
Bureau of Development

**SUBJECT:** Justification Memo for Bid Acceptance in Excess of 10 Percent of Engineer Estimate

Letting Date: March 5, 2021

Project Description: Bridge replacement with 28' x 10' precast three-sided culvert, guardrail and approach work on Number 29 Road over Devils Creek, Menominee County.

Project Number: 55000-208097

Item Number: 2103 028

Low Bidder: Hebert Construction Co.

Eng. Est: \$672,831.00    Low Bid: \$745,684.97    Difference: \$72,853.97    Percent: 10.83

The following shows the engineer's estimate and the proposed bids received for this project:

Engineer's Estimate	\$672,831.00
Hebert Construction Co.	\$745,684.97
FA Industrial Services, Inc.	\$760,343.00

### **EXPLANATION FOR DIFFERENCES**

The low bidder had unit prices that varied from the normal range. The main item found to be bid higher than the engineer's estimate is the 28-foot precast three-sided or arch culvert. The project is located 1.2 miles west of the Escanaba River State Forest on a dead-end road. In addition, there is limited access to the project site from all directions. This limited access and remote location creates challenges for the contractor to deliver and install the precast culvert, making it more labor intensive, causing this item to be bid higher than estimated. The local agency estimator considered several factors when estimating this project but was unable to precisely predict the unit prices.

### **OVERALL CONCLUSION**

As indicated in the above analysis, the low bid is over the engineer's estimate because of the remote project site location, creating more labor-intensive work to deliver and install the culvert. This project received two bids of \$745,684.97 and \$760,343.00, which varied by only 1.97 percent. We believe that rejecting this bid and re-letting this project will not result in lower bids, and the low bid should be considered reasonable, based on the factors discussed.

The Bureau of Development and the Menominee County Road Commission request that this project be awarded to the low bidder, based on the above conclusion.

---

Director, Bureau of Development

cc: J. Cotter	D. Harr	S. Thurman	T. Kratofil	Director Ajegba
V. Lake	R. Welter	L. Strzalka	C. Rademacher	MDOT-eProposal
K. Schuster	J. Hinkle	M. Shulick	C. Tennes	R. Worgess-Carveth
D. Potvin	M. Irish	H. Stinson	H. Hinchcliff	K. Farlin
L. Bretz	C. Masseau	D. Grover	J. Gutting	E. Poole
J. O'Leary	K. Kirkpatrick	T. Sauter	T. Avramenko	T. Barry
J. Nocerini	M. Maloney	A. Johnson	M. Chynoweth	

BOD:DD:QA:MJI:raw

REQUEST FOR MICHIGAN STATE  
TRANSPORTATION COMMISSION APPROVAL  
LETTING EXCEPTIONS AGENDA

March 25, 2021

**TRUNKLINE CONTRACTS**

1. Letting of March 5, 2021  
 Letting Call: 2103 004  
 Project: NH 31051-128708  
 Local Agreement: 20-5381  
 Start Date: May 3, 2021  
 Completion Date: September 16, 2022
- Low Bid: **\$9,610,285.08**  
 Engineer Estimate: \$9,708,879.36  
 Pct Over/Under Estimate: -1.02 %

1.07 mi of hot mix asphalt reconstruction, concrete curb and gutter, storm sewer, water main, sanitary sewer, signing and pavement markings on US-41 from MacInness Drive westerly to Isle Royal Street in the city of Houghton, Houghton County. This project includes a 5-year materials and workmanship pavement warranty.

3.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>Bacco Construction Company</b>	<b>\$9,610,285.08</b>	<b>Same</b>	<b>1 **</b>

Total Number of Bidders: 1

2. Letting of March 5, 2021  
 Letting Call: 2103 041  
 Project: HSIP 73000-207279  
 Local Agreement:  
 Start Date: May 10, 2021  
 Completion Date: December 1, 2021
- Low Bid: **\$2,863,085.34**  
 Engineer Estimate: \$2,657,108.01  
 Pct Over/Under Estimate: 7.75 %

Application of longitudinal line pavement markings on various routes, Arenac, Bay, Clare, Genesee, Gladwin, Gratiot, Huron, Shiawassee, St. Clair, and Tuscola Counties.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>P.K. Contracting, Inc.</b>	<b>\$2,863,085.34</b>	<b>Same</b>	<b>1 **</b>

Total Number of Bidders: 1

3. Letting of March 5, 2021  
 Letting Call: 2103 049  
 Project: NH 49026-208642  
 Local Agreement:  
 Start Date: 10 days after award  
 Completion Date: June 23, 2021

Low Bid: **\$959,541.07**  
 Engineer Estimate: \$840,437.92  
 Pct Over/Under Estimate: 14.17 %

1.91 mi of hot mix asphalt cold milling and resurfacing, concrete curb, gutter, sidewalk and ramps, drainage structures and pavement markings on I-75BL from the US-2 overpass easterly to High Street and from Antoine Street to North Airport Drive in the city of St. Ignace, Mackinac County. This project includes a 3-year materials and workmanship pavement warranty.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>Payne &amp; Dolan Inc.</b>	<b>\$959,541.07</b>	<b>Same</b>	<b>1 **</b>
Rieth-Riley Construction Co., Inc.	\$963,030.63	Same	2
Bacco Construction Company	\$1,222,607.75	Same	3

Total Number of Bidders: 3

4. Letting of March 5, 2021  
 Letting Call: 2103 214  
 Project: NH 80023-205077  
 Local Agreement:  
 Start Date: May 10, 2021  
 Completion Date: December 13, 2021

Low Bid: **\$4,895,394.03**  
 Engineer Estimate: \$4,624,009.43  
 Pct Over/Under Estimate: 5.87 %

0.38 mi of installing ITS variable speed advisory system on I-94 from I-196 east to 9th Street, Berrien, Van Buren, and Kalamazoo Counties.

2.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>J. Ranck Electric, Inc.</b>	<b>\$4,895,394.03</b>	<b>Same</b>	<b>1 **</b>

Total Number of Bidders: 1

### LOCAL AGENCY CONTRACTS

5. Letting of January 8, 2021  
Letting Call: 2101 010  
Project: HSIP 28000-207409  
Local Agreement: 20-5464  
Start Date: April 15, 2021  
Completion Date: September 18, 2021
- Low Bid: **\$721,192.25**  
Engineer Estimate: \$685,994.27  
Pct Over/Under Estimate: 5.13 %

0.19 mi of non-reinforced concrete pavement, curb, gutter, sidewalk and ramps, drainage, signing and pavement markings on Parsons Road at Airport Access Road in the city of Traverse City, Grand Traverse County. This is a Local Agency project.

4.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>Molon Excavating, Inc.</b>	<b>\$721,192.25</b>	<b>Same</b>	<b>1 **</b>
Rieth-Riley Construction Co., Inc.	\$778,242.20	Same	2
Anlaan Corporation	\$817,986.10	Same	3
M & M Excavating Company	\$859,000.00	Same	4
Elmer's Crane and Dozer, Inc.	\$699,281.78	Same	Ineligible

Total Number of Bidders:5

6. Letting of March 5, 2021  
Letting Call: 2103 022  
Project: HIPL 52000-207918  
Local Agreement: 20-5555  
Start Date: June 1, 2021  
Completion Date: October 15, 2021
- Low Bid: **\$961,114.25**  
Engineer Estimate: \$851,046.00  
Pct Over/Under Estimate: 12.93 %

Bridge reconstruction with a 36' x 8' precast three-sided concrete culvert, steel piles, riprap, guardrail, approach work and pavement markings on County Road 565 over Schweitzer Creek, Marquette County. This is a Local Agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>A. Lindberg &amp; Sons, Inc.</b>	<b>\$961,114.25</b>	<b>Same</b>	<b>1 **</b>
Hebert Construction Co.	\$1,084,771.17	Same	2
MJO Contracting, Inc.	\$1,185,075.40	Same	3
Zenith Tech, Inc.	\$1,313,851.40	Same	4

Total Number of Bidders: 4

7. Letting of March 5, 2021  
Letting Call: 2103 027  
Project: STL 58000-205846  
Local Agreement: 21-5019  
Start Date: 10 days after award  
Completion Date: October 1, 2021

Low Bid: **\$694,509.01**  
Engineer Estimate: \$622,277.00  
Pct Over/Under Estimate: 11.61 %

Bridge rehabilitation including superstructure replacement with 15-inch-tall tub girder and precast composite slab and approach work on Cone Road over the north branch Macon Creek, Monroe County. This is a Local Agency project.

3.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>Z Contractors, Inc.</b>	<b>\$694,509.01</b>	<b>Same</b>	<b>1 **</b>
C. A. Hull Co., Inc.	\$732,728.00	Same	2
Anlaan Corporation	\$879,346.31	Same	3

Total Number of Bidders: 3

8. Letting of March 5, 2021  
Letting Call: 2103 028  
Project: MCS 55000-208097  
Local Agreement: 21-5016  
Start Date: 10 days after award  
Completion Date: October 15, 2021

Low Bid: **\$745,684.97**  
Engineer Estimate: \$672,831.00  
Pct Over/Under Estimate: 10.83 %

Bridge replacement with 28' x 10' precast three-sided culvert, guardrail and approach work on Number 29 Road over Devils Creek, Menominee County. This is a Local Agency project.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked	
<b>Hebert Construction Co.</b>	<b>\$745,684.97</b>	<b>Same</b>	<b>1 **</b>
FA Industrial Services, Inc.	\$760,343.00	Same	2

Total Number of Bidders: 2

On receipt of your approval, projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the project described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum of February 11, 2019.

Respectfully submitted,

Paul C. Ajegba, P.E.  
Director

INFORMATION FOR MICHIGAN STATE  
TRANSPORTATION COMMISSION

March 25, 2021

The following project information is being provided for informational purposes, as requested by the State Transportation Commission.

**TRUNKLINE CONTRACT**

1. Letting of March 5, 2021  
 Letting Call: 2103 042                      Low Bid: **\$417,324.20**  
 Project: HSIP 69023-207291              Engineer Estimate: \$440,123.55  
 Local Agreement:                      Pct Over/Under Estimate: -5.18 %  
 Start Date: May 3, 2021  
 Completion Date: November 26, 2021

Application of special pavement markings on various routes, Alcona, Alpena, Antrim, Benzie, Charlevoix, Cheboygan, Crawford, Emmet, Grand Traverse, Iosco, Kalkaska, Leelanau, Manistee, Missaukee, Montmorency, Ogemaw, Oscoda, Otsego, Presque Isle, Roscommon, and Wexford Counties.

0.00 % DBE participation required

Bidder	As-Submitted	As-Checked
<b>P.K. Contracting, Inc.</b>	<b>\$434,424.20</b>	<b>\$417,324.20 1 **</b>

Total Number of Bidders: 1

These projects, for which the bid is under Five Hundred Thousand Dollars (\$500,000) and has less than two (2) bidders or is a low bid rejection or have other bid issues, are being submitted for informational purposes. The contracts for these projects will, at the Director's discretion, be processed and awarded to the low bidder. I approve the projects described in this agenda and authorize the award by the responsible management staff of MDOT to the extent authorized by and in accordance with the December 14, 1983, resolution of the State Transportation Commission and the Director's delegation memorandum February 11, 2019.

Respectfully submitted,

Paul C. Ajegba P.E.  
Director